## **REMARKS**

Claims 12-36 and 39-63 remain in this application. Of the pending claims, claims 12-14, 34-36, 39-41 and 61-63 are independent. None of the claims have been amended in this response.

Claims 12-36 and 39-63 were rejected under 35 U.S.C. §103(a) as being unpatentable over *Candelore* (US Patent 6,057,872) in view of *Civanlar* (US Patent 6,005,935) Applicant traverses these rejections. Favorable reconsideration is respectfully requested.

Specifically, none of the cited art, alone or in combination, disclose a client computer configured for, or the step of, transmitting an order acceptance request over a packet-switched network that includes a plurality of modular elements, with each modular element individually protected by an imbedded cryptographic security code. Also among the features of the pending claims is a server configured to, or the step of, transmitting an order acceptance response to a client, the order acceptance response also including a plurality of modular elements whose individual integrity is protected by embedding a cryptographic security code within each modular element.

The communication system in *Candelore* includes a transmitting end 110, a channel 120, and a receiving end shown 130. (col. 5, lines 7-9). The channel 120 may comprise coaxial cable, optical fiber, and/or a wireless link such as a satellite or RT broadcast link. The transmitting end may be a cable television system headend, a satellite uplink center, or an RF broadcast center. (col. 5, lines 39-44). A controller 130 associated with the transmitting end causes digital coupon to be encrypted and multiplexed along with program service data and control data. (col. 7, lines 19-23) the control data includes cryptographic data which is used for generating working keys at the terminals for decoding received data. (col. 7, lines 29-32)

The Examiner erroneously interprets *Candelore*'s communication channel 120 as teaching client and server computers connected by a public packet switched network (FIG. 1, col. 5, lines 6-25). While *Candelore* generally mentions the use of computers in the disclosure, there is nothing that teaches or suggests the use of packet-switched networks to enable

communication between a client computer and a network as required by the present claims. Col. 5, lines 40-44 specifically define the communication channel in *Candelore*:

The channel 120 may be a coaxial cable, optical fiber, and/or a wireless link such as a satellite or RF broadcast link. The transmitting end may be a cable television system headend, a satellite uplink center, or an RF broadcast center, for example.

Nowhere is a public packet switched network disclosed or even hinted at in *Candelore*'s disclosure. Furthermore, Candelore specifically teaches that data fields that are used delivering digital coupons are executed according to an EMM, an IPPV ECM purchase linkage, and a program re-key ECM (see col. 13, lines 1-6, Tables 1-4). The EMM is software product used at a conditional access headend to facilitate communication between the subscriber management system and the subscriber devices (set-top box and viewing card). The EMM handles all subscriber authorizations, preparing and sending entitlement management messages (EMM) to subscribers based on specific requests from the subscriber management system. These messages provide, for example, authorizations to view services, credit for impulse pay-per-view purchases, on-screen display messages, service cancellations and renewals, and subscriber data for blackouts (see, e.g., col. 7, lines 29-47; col. 8, line 66 - col. 9, line 6; col. 14, lines 41-50). The ECM message creates entitlement control for delivery to the subscribers' viewing cards. The conditional access information in the entitlement control message is updated whenever new program access information is received from the traffic system. The ECM delivers the entitlement control messages to a multiplexer, where an encrypted control word is used to scramble the program signal (see col. 13, line 63-67; col. 7, lines 49-64).

One of the problems with the disclosure in *Candelore*, is that data sent in connection with the coupons is not configured for transmission over a packet-switched network, but rather is configured for broadcast to a user or groups of users from a central location. Accordingly, one consequence of this is that there is no connection among separate users. It follows that, under the exemplary claim features recited in claims 12-13, *Candelore* cannot teach a system "wherein the client computer is programmed to receive the digital coupon, protected by a cryptographic security code, from another computer" as recited in claim 12, or a system "wherein the digital coupon is configured to be used by any coupon holder that possesses the digital coupon, and

wherein the server computer is programmed to accept the digital coupon without regard to the identity of the coupon holder" as recited in claim 13.

Moreover, Candelore does not teach transmitting an order acceptance request comprising a plurality of terms and conditions of a proposed offer for a purchase, the order acceptance request including a plurality of modular elements whose individual integrity is protected by embedding cryptographic security codes in each modular element. Candelore states only that the user terminals are able to communicate with a pay per view processing function and usage pattern accounting function via the communication channel (col. 5, lines 6-25). Nowhere does this passage describe a discrete message having a plurality of modular components where each component is individually protected by a cryptographic code. Similarly, the other passage cited by the Examiner (e.g., col. 7, line 19 – col. 9, line 65) likewise fail to disclose an order acceptance request as described in the pending claims. The Office Action of December 17, 2004 has apparently conceded this point.

Accordingly, it follows that *Candelore* also does not teach or suggest a step of transmitting an order acceptance response request from the server to the client, wherein the order acceptance response also includes a plurality of modular elements whose individual integrity is protected by embedding cryptographic security codes in each modular element. The Examiner points again to *Candelore* col. 5, lines 6-25 and col. 7, line 19 – col. 9, line 65. But again, nothing in these passages describe cryptographically protecting any modular elements other than a digital coupon. *Candelore* does not teach sending an order acceptance response that includes a plurality of individually protected modular elements. Nothing in the teaching of *Candelore* even suggests the automated negotiation process set forth in the pending claims of the instant application.

In this regard, *Civanlar* was cited as a secondary reference for allegedly teaching a plurality of modular elements whose individual integrity is protected by embedding cryptographic security codes within each of the modular elements (col. 1, lines 46-55, col. 2, lines 6-45; col. 2, line 65-col. 3, line 40). However, this assertion misinterprets the teaching in *Civanlar*. The reference does not teach a "plurality of modular elements," but merely discloses a system and method for embedding a security key onto a purchased product to prevent unauthorized access. In contrast to the present claims, *Civanlar* teaches the collection of

"personalized information" to generate a <u>single key</u> that is attributable to the purchaser (col. 2, lines 36-50; see claim 1). Furthermore, the encryption system of *Civanlar* is completely removed from the user interaction with a server, as the reference clearly teaches that the encryption is performed regardless whether a product was purchased on-line, in a store, or even by mail (col. 2, lines 27-34).

Finally, the Office Action improperly combined the Civanlar and Candelore references and relied on impermissible hindsight in formulating the rejection. There is no teaching or suggestion for one of ordinary skill in the art to combine the teaching of Civanlar with that of Candelore in the manner suggested by the Examiner. As discussed above, Candelore teaches a broadcast system where EMM/ECM codes are used to control transmission of PPV broadcasts to a set-top box. In contrast, Civanlar teaches a manual encryption configuration in a non-analogous art, where purchases of products have encryption keys manually entered into their products for future use or access. Applicants respectfully submit that there is no teaching, suggestion or motivation for one skilled in the art to combine the disclosure of Civanlar with that of Candelore. In light of the EMM/ECM codes disclosed in Candelore, one skilled in the art would have no reason to turn to the teaching in Civanlar.

The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, and not based on applicant's disclosure. *In re Vaeck*, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991). The initial burden is on the examiner to provide some suggestion of the desirability of doing what the inventor has done. "To support the conclusion that the claimed invention is directed to obvious subject matter, either the references must expressly or impliedly suggest the claimed invention or the examiner must present a convincing line of reasoning as to why the artisan would have found the claimed invention to have been obvious in light of the teachings of the references." *Ex parte Clapp*, 227 USPQ 972, 973 (Bd. Pat. App. & Inter. 1985). When the motivation to combine the teachings of the references is not immediately apparent, it is the duty of the examiner to explain why the combination of the teachings is proper. *Ex parte Skinner*, 2 USPQ2d 1788 (Bd. Pat. App. & Inter. 1986). (see MPEP 2142).

Further, the Federal Circuit has held that it is "impermissible to use the claimed invention as an instruction manual or 'template' to piece together the teachings of the prior art so that the claimed invention is rendered obvious." *In re Fritch*, 23 U.S.P.Q.2d 1780, 1784 (Fed. Cir. 1992). "One cannot use hindsight reconstruction to pick and choose among isolated disclosures in the prior art to deprecate the claimed invention" *In re Fine*, 837 F.2d 1071 (Fed. Cir. 1988).

Moreover, the Federal Circuit has held that "obvious to try" is not the proper standard under 35 U.S.C. §103. Ex parte Goldgaber, 41 U.S.P.Q.2d 1172, 1177 (Fed. Cir. 1996). "Anobvious-to-try situation exists when a general disclosure may pique the scientist curiosity, such that further investigation might be done as a result of the disclosure, but the disclosure itself does not contain a sufficient teaching of how to obtain the desired result, or that the claim result would be obtained if certain directions were pursued." In re Eli Lilly and Co., 14 U.S.P.Q.2d 1741, 1743 (Fed. Cir. 1990).

In light of the above amendments and arguments, Applicants submit that claims 12-36 and 39-63 are allowable. Applicants respectfully submit that the patent application is in condition for allowance and request a Notice of Allowance be issued. The Commissioner is authorized to charge and credit Deposit Account No. 02-1818 for any additional fees associated with the submission of this Response. Please reference docket number 0115274-0008.

Respectfully submitted,

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